

It's time for a balanced approach to affordable housing in Sarasota

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YOUR-VOICE

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Understanding what's creating or contributing to a problem often informs a solution.

The reason for the recent escalation in unmet affordable housing needs can be attributed to a demand for workforce housing that has outpaced the supply of housing affordable to the workforce. The most significant contributor to this growing demand for a workforce is a growing population that requires a growing workforce to meet a broad range of needs.

Some of these occupations provide salaries adequate to afford market-rate housing, but many do not. The present affordable housing shortage is being fueled by those new members of the workforce with wages that cannot afford market-rate housing.

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Not a new development

This supply-demand housing imbalance is not a recent development in Sarasota. It has existed for many decades, disproportionately impacting working families, especially those low wage earners, working at or near the minimum wage. The “free” market accommodates the housing demands for higher-wage earners, and those with accumulated assets, but with the ever-increasing cost of land, labor, materials, permitting and financing, building housing for lower-income wage earners – even in the form of rental apartments – is cost prohibitive.

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Many ideas have been discussed on how to increase the supply of housing needed to meet the needs of those employees who cannot afford market-rate housing. They include removing unnecessary regulations, expediting permit review times, reducing fees, increasing densities and allowing accessory dwelling units.

While all of these ideas merit serious consideration, and some have already been adopted into policy, they all address the affordable housing shortage from the supply side of the equation. Even with these ideas in place, it is all but certain that gains made by creating a new supply of affordable housing units will be eliminated by an increased demand for affordable housing created by new development.

In fact, this is exactly what has been happening for decades.

That's why we now have an oceanic divide between the supply of housing available and that needed to meet the demands of a growing service workforce unable to afford market-rate housing.

A threat to our economy

Now with the pandemic's compounding impacts on working families, and an unprecedented increase in housing costs, Sarasota's affordable housing supply/demand imbalance is now beyond the stratosphere – and it poses an existential threat to our economy.

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Inclusionary zoning requires new market-rate developments to provide an adequate number of affordable housing units needed to meet the affordable housing demands created by the new development. Adopting an inclusionary zoning requirement now will not only reduce the existing affordable housing deficit – it will also diminish future new development from exacerbating the deficit.

It is the only affordable housing tool that addresses the demand side of an affordable housing solution, while also guarding against losing affordable housing gains created from supply-side activities.

Inclusionary zoning should only be considered prospectively when new development proposals are seeking increased densities. New development should not be expected to make up gains it did not create.

State law allows local governments to adopt an inclusionary zoning ordinance provided that the cost to a developer to provide the affordable units is offset by the increase in value created by the density increase. In Sarasota's real estate market, keeping the developer whole can easily be accomplished by the extraordinary increase in value created by increased densities.

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Inclusionary zoning offers benefits

Inclusionary zoning offers many added benefits to the community. It creates affordable housing at no cost to taxpayers. It locates affordable housing close to jobs and transportation. And, finally, it integrates affordable and market-rate housing into the same community.

Inclusionary zoning is not a popular concept for some, so if there are other ideas that specifically address the need to meet the new affordable housing demands created by approving new market-rate housing, we should be open to considering them. After 30-plus years of opening up more land for development, and increasing zoning densities, with virtually no affordable housing units created, it should be clear we need to change our approach.

Over the last 20 years, local governments have approved more than 100,000 new development units. Had inclusionary zoning been a part of the development approval process, more than 15,000 affordable housing units would have been created. Instead, this new development has created an unmet demand for 15,000-plus affordable housing units. This is the difference between an affordable housing crisis and an affordable housing problem.

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Sarasota's Affordable Housing Advisory Committee – whose diverse membership is appointed by the Sarasota city and county commissions – unanimously included inclusionary zoning in their recommendations to their respective commissions.

There is no single solution to the affordable housing challenge, and that applies to inclusionary zoning. But without inclusionary zoning, the demand for affordable housing created by new market-rate housing developments will continue to outpace the creation of new affordable housing units.

And a 30-year downward trend will continue to worsen.

The goal of an affordable housing solution should not simply be building more affordable housing. The goal should be reconciling the demand for housing with the available supply.

Jon Thaxton is a longtime affordable housing advocate and a former Sarasota County commissioner. He now serves as Gulf Coast Community Foundation's senior vice president for community leadership.

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